

OFFICIAL DISPATCH

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DISPATCH NO. MEKAW 100-8720

SECRET

CLASSIFICATION

TO : Chief of Station, Berlin

DATE: 19 September 1966

FROM : Chief, Foreign Branch II

Att: E 1

SUBJECT: GENERAL: Operational Matters - Public
SPECIFIC: Zipper and Bonn

1. After reading Pull 1067, our only constructive suggestion is that someone should put a cold towel on Utility's head. His reaction to the official announcement of Cappel's appointment gives eloquent support to the various appraisals of his character which have been written by the FOB staff.

2. As nearly as we can analyze it, Utility seems to feel that by some divine ordinance nothing should happen in the military or security fields in Western Germany without either his concurrence or his direct participation. This peculiar preoccupation, particularly well outlined in MASH-3286, is rapidly creating an almost insoluble problem for us. On the one hand we would like to maintain Zipper as an intelligence asset for the U.S. Government. Along this same line, we want to see individuals of the Bonn variety properly placed in any German remilitarization effort solely on the grounds of motivation, capacity, and orientation toward the American viewpoint. On the other hand, we have Utility attempting to use in Bonn the influence of his organization, not as an intelligence asset, but as a political grouping of former German officers.

3. We more hardly know how to suggest that you unravel this circular skoin, but we do share with you a basic concern over what it is we are attempting to advocate with Hecker and Upmistr. We certainly go along with paragraph six of Pull 1024 just as we do with paragraphs three, four and five of Karl 9796. But as we indicated in MASH 14644, there is a legitimate distinction between Zipper as an intelligence package and the use of certain Zipperites on an individual basis in the remilitarization effort. Too, this distinction would not be difficult to work out if it were not for Utility's

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personal ambition and desire to be the only "true prophet". It can be fairly said that a certain portion of Zipper is of little value to anyone except to Utility and his political aspirations. Therefore, would it not be feasible to suggest that we treat Zipper as an apolitical intelligence organization which deserves bona support and localization, thus enabling us to back off from the advocacy of specific members of Zipper in their campaigns for political or military jobs? Stated another way, McCloy should discuss Zipper with ~~Utility~~ as an organization and not get into individual personalities. This would then leave him free to advocate in Allied councils specific German officers, whether Zipper or not, for any jobs he deemed best. In this fashion we could make our influence in individual cases felt through him without each time raising the question of whether or not the person wears the Zipper badge.

4. Possibly the foregoing suggestion lacks realism, but we have got to attempt to make some sort of distinction. Otherwise we will find ourselves bogged down in the ring-around-a-rosy which is bound to continue until there is enough German remilitarization to provide jobs for all interested officers. Also this approach should help us in outmaneuvering the British and French on specific candidates for key posts whereas it is pretty hard to stand behind the scenes and pull strings with the large Zipper organization bulging out on every side and constantly giving our game away.

5. Frankly, on individual cases such as Horn, possibly Speidel, Foertsch and others, we should not hesitate to request Shute to use his influence to see them well placed. American officials, both diplomatic and military, generally bend over backward to avoid interfering in the internal affairs of any country even an occupied one. Consequently they often find themselves outmaneuvered by the British and French who are much less conscience stricken at the use of pressures and under-the-table politicking. For this reason we as an organization should at least make our intelligence needs strongly felt with Shute, and through him with McCloy and Hays, to see to it that a reasonable number of "safe" officers land in top jobs in any remilitarization effort. We would need such individuals regardless of the fate of Zipper.

6. I thought you might be interested in the attached clippings of newspaper articles on the rearming of West Germany.

Attachment

Richard Helms

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E X T R A C T

FROM: MGKA-23504, 20 October 1950, Subj: Weekly Letter from []

6. I visited POB on the morning of the 11th. [] described a long and bitter conference he had had with UTILITY some days after the McCloy dinner. During the conference [] took the position outlined in your MGKW 6425 and achieved good results. UTILITY, it appears, was practically isolated within his own organization in the matter of the McCloy dinner. All of his senior people were against it, and apparently he had had a bitter showdown with them prior to his meeting with []. Thus [] was in a position to deal the final blow.

[] and I decided that we would not return to the subject of the meeting on the occasion of my visit, but rather ask UTILITY to brief me for my discussions in Washington. The meeting was laid on as a final one before my return home. The discussion was cordial, and I must say not very revealing.

I will arrange another meeting with UTILITY before leaving the Theater, at which time I will express to him your view about the McCloy dinner.

NWC-002780